

**May 5, 2011
Phone Board Meeting
10:00 a.m.**

Board Members Attending: Marty Connell, Chairman
Jim Davison
Erik Somerfeld
John Youngberg

Others Attending: Dave Desch, Executive Director
Jane Todd, Administrative Specialist
Andy Poole, Deputy Director Dept. of Commerce

I. Call to Order

Chairman Marty Connell called the meeting to order at 10:04 a.m.

II. Approve Board Minutes of March 15, 2011, Meeting

Erik Somerfeld moved to approve the minutes of the March 15, 2011, Board meeting. Jim Davison seconded the motion. All in favor, the minutes were approved as presented.

III. Discussion of Results from Legislative Session and Program Options

Dave Desch summarized the recent activity in the legislature, specifically three bills affecting MBRCT directly.

- HB 604 was signed by the Governor. It transfers \$800,000 from MBRCT to three programs: \$375,000 for the SBIR matching grant program, \$125,000 for the high-performance supercomputing program, and \$300,000 to the Board of Regents for doctoral programs at Montana Tech.
- HB 611 is on the Governor's desk. This is a statutory appropriation for \$195,000 to be directed from MBRCT to the Department of Agriculture for the food and ag development centers.
- HB 316 reduces the current appropriation by 19% to \$1,031,000.

If the Governor vetoes HB 316 in its entirety, that would add \$244,000 to the program. This would allow the Board to fund a project or two in this round of funding and would provide sufficient funding to administer the program in FY2012 and FY2013.

[Marty Connell left the meeting at 10:09 a.m.]

If the Governor does not veto HB 316, the program would have sufficient funds for administration in FY2012, if project #11-38 is not renewed for a second year of funding in the amount of \$70,000.

[Marty Connell re-joined the meeting at 10:10 a.m.]

The Board discussed the importance of funding at least one project if the Governor vetoes HB 316. This is important to show the Board did everything it could with what money it had available to fund proposals submitted March 1, 2011.

In response to Board concerns regarding staff positions during the 2013 biennium, Andy Poole stated that staff would be responsible for managing existing projects as well as the development and management of the new SBIR matching grant program. In two years, the appropriation increases to \$3.65 million and staff would be in place to manage the MBRCT program.

Action: The Board will meet by phone June 2 at 10:00 a.m. to make program decisions based on the Governor's response to HB 316.

IV. Public Comment

There was no public comment.

V. Adjourn

Marty Connell moved to adjourn the meeting. Jim Davison seconded the motion. There being no further discussion, the meeting adjourned at 10:26 a.m.

Respectfully submitted,

Martin Connell, Chairman